

असाधारण EXTRAORDINARY

भाग II — खण्ड 2

PART II - Section 2

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके। Separate paging is given to this Part in order that it may be filed as a separate compilation.

LOK SABHA

The following Bills were introduced in Lok Sabha on 27th November, 2000:—

BILL No. 171 of 2000

A Bill to declare the Indian Council of World Affairs to be an institution of national importance and to provide for its incorporation and matters connected therewith.

BE it enacted by Parliament in the Fifty-first Year of the Republic of India as follows:—

- 1. (1) This Act may be called the Indian Council of World Affairs Act, 2000.
- (2) It shall be deemed to have come into force on the 1st day of September, 2000.

2. Whereas the objects of the Indian Council of World Affairs, a society registered under the Societies Registration Act, 1860 are such as to make the institution one of national importance, it is hereby declared that the institution, known as the Indian Council of World Affairs, is an institution of national importance.

Short title and commencement.

Declaration of the Indian Council of World Affairs as institution of national importance.

21 of 1860.

Definitions.

- 3. In this Act, unless the context otherwise requires,—
 - (a) "appointed day" means the date of commencement of this Act;
 - (b) "Chairperson" means the Chairperson of the Governing Body;
- (c) "Council" means the Indian Council of World Affairs, incorporated under section 4:
 - (d) "Director-General" means the Director-General of the Council;
- (e) "existing Council" means the Indian Council of World Affairs, a society registered under the Societies Registration Act, 1860 and functioning as such immediately before the appointed day;

21 of 1860.

- (f) "Fund" means the Fund of the Council referred to in section 18;
- (g) "Governing Body" means the Governing Body of the Council;
- (h) "member" means a member of the Council and includes the President and Vice-President;
 - (i) "President" means the President of the Council;
 - (j) "regulations" means regulations made under this Act;
 - (k) "rules" means rules made under this Act:
 - (1) "Vice-President" means the Vice-President of the Council.

Incorporation of the Council.

- 4. (1) The Indian Council of World Affairs is hereby constituted a body corporate by the name of the Indian Council of World Affairs and as such body corporate it shall have perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract and shall by that name sue and be sued.
- (2) The head office of the Council shall be at Delhi and the Council may, with the previous approval of the Central Government, establish branches at other places in India.
 - 5. (1) On and from the appointed day,—
 - (a) all properties and other assets vested in the existing Council immediately before that day, shall vest in the Council;
 - (b) all debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with or for the existing Council immediately before that day for or in connection with the purposes of the existing Council, shall be deemed to have been incurred, entered into and engaged to be done by, with or for the Council;
 - (c) all sums of money due to the existing Council, immediately before that day, shall be deemed to be due to the Council;
 - (d) all suits and other legal proceedings instituted or which could have been instituted by or against the existing Council, immediately before that day, may be continued or instituted by or against the Council; and
 - (e) every employee holding any office under the existing Council immediately before that day, shall, on that day, hold his office or service under the Council with the same rights and privileges as to pension, gratuity and other matters as would have been admissible to him if there had been no such vesting; and shall continue to do so unless and until his employment under the Council is duly terminated or until his remuneration and other conditions of service are duly altered by the Council.
- (2) Notwithstanding anything contained in the Industrial Disputes Act, 1947 or in any other law for the time being in force, the absorption of any employee by the Council

14 of 1947.

Transfer of assets and liabilities of the existing Council to the Council.

in its regular service under this section shall not entitle such employee to any compensation under that Act or any other law and no such claim shall be entertained by any court, tribunal or other authority.

6. (1) Every person having possession, custody or control of property forming part of the properties and other assets referred to in clause (a) of sub-section (1) of section 5 shall deliver forthwith such property to the Director-General.

Obligation to transfer property or assets

- (2) Any person incharge of the property and other assets of the existing Council immediately before the commencement of this Act shall, within ten days from that day, furnish to the Director-General a complete inventory of all properties and assets (including particulars of book debts and investments and belongings) immediately before the commencement of this Act and also of all agreements entered into by the existing Council or any person on its behalf.
 - 7. (1) The Council shall consist of the following members, namely.—

Composition of the Council

- (a) the Union Minister for External Affairs who shall be the President, ex officio;
- (b) a Vice-President, who shall be elected by the Council from amongst its members:
 - (c) a Director-General, who shall be appointed by the Central Government;
- (d) three members to be nominated by the Central Government who are distinguished in the field of diplomacy, international affairs and law;
- (e) four members to be nominated by the Central Government from amongst experts in the fields of history, economics, security studies and social sciences;
- (f) two members to be nominated by the Central Government from amongst the Vice-Chancellors of Universities;
 - (g) four members to be nominated by the Council.
- (2) It is hereby declared that the office of the member of the Council shall not disqualify its holder for being chosen as, or for being, a member of either House of Parliament.
 - (3) A person shall be disqualified for being nominated as a member if he—
 - (a) has been convicted and sentenced to imprisonment for an offence, which, in the opinion of the Central Government, involves moral turpitude; or
 - (b) is an undischarged insolvent; or
 - (c) is of unsound mind and stands so declared by a competent court.
- 8. (1) Save as otherwise provided in this section, the term of office of a member shall be three years from the date of his nomination.

Term of office and vacancies among members.

- (2) The terms of office of the member nominated to fill a casual vacancy shall continue for remainder of the term of the member in whose place he is nominated.
- (3) A member shall, unless the Central Government otherwise directs, continue in office until another person is nominated as a member in his place.
 - (4) The Central Government shall remove a member if he-
 - (a) becomes subject to any of the disqualifications mentioned in sub-section (3) of section 7, or
 - (b) refuses to act or becomes incapable of acting; or
 - (c) is, without obtaining leave of absence from the Council, absent from three consecutive meetings of the Council; or

(d) in the opinion of the Central Government, has so abused his position as to render his continuance in office detrimental to the public interest:

Provided that no member shall be removed under this clause unless he has been given a reasonable opportunity of being heard in the matter.

- (5) A member shall, unless disqualified under sub-section (3) of section 7, be eligible for re-nomination.
- (6) A member may resign his office by writing under his hand addressed to the Central Government but shall continue in his office until his resignation is accepted by that Government.
- (7) The manner of filling vacancies among members shall be such as may be prescribed by rules.

Powers and functions of President. Powers and functions of Vice-President

- 9. The President shall exercise such powers and discharge such functions as are laid down in this Act or as may be prescribed by rules.
- 10. The Vice-President shall exercise such of the powers and perform such of the functions of the President as may be prescribed by rules or as may be delegated to him by the President.

Allowances of members.

. 11. Members shall receive such allowances, if any, from the Council as may be prescribed by rules.

Meetings of Council

12. The Council shall hold its first meeting at such time and place as may be appointed by the Central Government and shall observe such rules of procedure in regard to the transaction of business at the first meeting as may be laid down by that Government; and thereafter the Council shall meet at such times and places and observe such rules of procedure in regard to the transaction of business at its meetings as may be prescribed by regulations.

Objects of Council.

- 13. The objects of the Council shall be—
- (a) to promote the study of Indian and international Affairs so as to develop a body of informed opinion on international matters;
- (b) to promote India's relations with other countries through study, research, discussion, lectures, exchange of ideas and information with other organisations within and outside India engaged in similar activities;
- (c) to serve as a clearing house of information and knowledge regarding world affairs:
- (d) to publish books, periodicals, journals, reviews, papers, pamphlets and other literature on subjects covered under clauses (a) and (b);
- (e) to establish contacts with organisations promoting objects mentioned in this section;
- (f) to arrange conferences and seminars to discuss and study the Indian policy towards international affairs; and
- (g) to undertake such other activities for the promotion of ideas and attainment of the above-mentioned objects.
- 14. (1) There shall be a Governing Body of the Council which shall be constituted by the Council from amongst the members in such manner as may be prescribed by regulations.
- (2) The Governing Body shall be the executive committee of the Council and shall exercise such powers and discharge such functions as the Council may, by regulations made in this behalf, confer or impose upon it.

Governing Body and other committees of Council

- (3) The President shall be the Chairperson of the Governing Body and as Chairperson thereof shall exercise such powers and discharge such functions as may be prescribed by regulations.
- (4) The procedure to be followed by the Governing Body in the exercise of its powers and discharge of its functions and the term of office of, and the manner of filling vacancies among the members of, the Governing Body, shall be such as may be prescribed by regulations.
- (5) Subject to such control and restrictions as may be prescribed by rules, the Council may constitute as many standing committees and as many *ad hoc* committees as it thinks fit for exercising any power or discharging any function of the Council or for inquiring into, or reporting or advising upon, any matter which the Council may refer to them.
- (6) The Chairperson and members of the Governing Body or a standing committee or an *ad hoc* committee shall receive such allowances as may be prescribed by regulations.
- 15. (1) There shall be a chief executive officer of the Council who shall be designated as the Director-General and shall be appointed by the Ministry of External Affairs.

Staff of Council

- (2) The Director-General shall act as the Secretary to the Council as well as to the Governing Body.
- (3) The Director-General shall exercise such powers and discharge such functions as may be prescribed by regulations or as may be delegated to him by the Council or the President or the Governing Body or the Chairperson.
- (4) The Financial Advisor of the Ministry of External Affairs shall be the Financial Advisor of the Council.
- (5) Subject to such rules as may be made in this behalf, the Council may appoint such number of other officers and employees as may be necessary for the exercise of its powers and efficient discharge of its functions and may determine the designations and grades of such other officers and employees.
- (6) Subject to such rules as may be made in this behalf, the Director-General and other officers and employees of the Council shall be entitled to such salary and allowances and shall be governed by such conditions of service in respect of leave, pension, gratuity, provident fund and other matters, as may be prescribed by regulations made in this behalf.
- 16. The Council shall undertake various plans to promote, organise and implement various programmes for efficiently achieving the objects of the Council specified in section 13 and shall also perform such other functions as the Central Government may, by rules, prescribe.

Functions of Council.

17. The Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Council in each financial year such sums as may be considered necessary for the exercise of powers and efficient discharge of functions of the Council under this Act.

Payment to Council.

- 18. (1) The Council shall maintain a Fund to which shall be credited—
- Fund of Council.

- (a) all moneys received from the Central Government;
- (b) all moneys received by the Council by way of grants, gifts, donations, benefactions, bequests or transfers; and
- (c) all moneys received by the Council in any other manner or from any other source.
- (2) All moneys credited to the Fund shall be deposited in such banks or invested in such manner as the Council may, subject to the approval of the Central Government, decide.

(3) The Fund shall be applied towards meeting the administrative and other expenses of the Council, including expenses incurred in the exercise of its powers and discharge of its functions under section 16 or in relation to any of the activities referred to therein or for anything relatable thereto.

Budget of Council.

19. The Council shall prepare, in such form and at such time every year, as may be prescribed by rules, a budget in respect of the financial year next ensuing, showing the estimated receipts and expenditure of the Council and shall forward to the Central Government such number of copies thereof as may be prescribed by rules.

Accounts and audit.

- 20. (1) The Council shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the balance sheet in such form as the Central Government may, by rules, prescribe and in accordance with such general direction as may be issued by that Government, in consultation with the Comptroller and Auditor-General of India.
- (2) The accounts of the Council shall be audited by the Comptroller and Auditor-General of India and any expenditure incurred by him in connection with such audit shall be payable by the Council to the Comptroller and Auditor-General of India.
- (3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Council shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the office or offices of the Council.
- (4) The accounts of the Council as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with the audit report thereon, shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

Annual report.

21. The Council shall prepare every year, in such form and at such time as may be prescribed by rules, an annual report giving a true and full account of its activities during the previous year and copies thereof shall be forwarded to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

Authentication of orders and instruments of Council.

22. All orders and decisions of the Council shall be authenticated by the signature of the President or the Vice-President and all other instruments issued by the Council shall be authenticated by the signature of the Director-General or any other officer of the Council authorised by the council in this behalf.

Vacancy, etc not to invalidate proceedings of the Council, etc.

- 23. No act or proceeding of the Council, Governing Body or any standing or ad hoc committee under this Act, shall be invalid merely by reason of—
 - (a) any vacancy in, or any defect in the constitution of, the Council; or
 - (b) any defect in the appointment of a person acting as a member of the Council; or
 - (c) any irregularity in the procedure of the Council not affecting the merits of the case.

Reports, returns and information Penalities

- 24. The Council shall furnish to the Central Government such reports, returns and other information as that Government may require from time to time.
 - 25. Any person who—
 - (a) having in his possession or custody or his control any property vested in the existing Council, wrongfully withholds such property from the Director General;

or

- (b) fails to deliver any property or any other assets or temoves or destroys it;
- (c) wilfully withholds or fails to account for any books, papers or other documents which may be in his possession or custody or under his control to the Director-General:

shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to ten thousand rupees, or with both.

- **26.** (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.
- Power to make rules.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
 - (a) the manner of filling vacancies among members under sub-section (7) of section 8;
 - (b) the powers and functions to be exercised and discharged by the President and the Vice-President under section 9 and section 10, as the case may be;
 - (c) the allowances to be paid to the members under section 11;
 - (d) the control and restrictions in relation to the constitution of standing and ad hoc committees under sub-section (5) of section 14;
 - (e) the number of other officers and employees that may be appointed by the Council and the manner of such appointment under sub-section (5) of section 15:
 - (f) the salaries and allowances payable to the Director-General and other officers and employees of the Council under sub-section (6) of section 15;
 - (g) the other functions to be performed by the Council under section 16;
 - (h) the form in which and the time at which the budget shall be prepared by the Council and the number of copies thereof to be forwarded to the Central Government under section 19;
 - (i) the form in which an annual statement of accounts including the balance sheet shall be prepared by the Council under sub-section (1) of section 20;
 - (j) the form in which and the time at which the annual report of the activities of the Council shall be submitted to the Central Government under section 21:
 - (k) any other matter which has to be or may be prescribed by rules.
- 27. (1) The Council may, with the previous approval of the Central Government, make regulations consistent with the provisions of this Act and the rules to carry out the provisions of this Act.

Power to make regulations.

- (2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—
 - (a) the summoning and holding of meetings, other than the first meeting of the Council, the time and place where such meetings are to be held and the transaction of business at such meetings under section 12;
 - (b) the manner in which the Governing Body shall be constituted under subsection (1) of section 14;
 - (c) the powers and functions to be exercised and discharged by the Governing Body and the Chairperson under sub-sections (2) and (3) of section 14;
 - (d) the procedure to be followed by the Governing Body in exercise of its powers and discharge of its functions and the term of office of, and the manner of filling vacancies among, the members of the Governing Body under sub-section (4) of section 14:
 - (e) the allowances to be paid to the members of the standing and ad hoc committees under sub-section (6) of section 14;

- (f) the powers and functions to be exercised and discharged by the Director-General under sub-section (3) of section 15;
- (g) the conditions of service of the Director-General and other officers and employees of the Council under sub-section (6) of section 15;
 - (h) any other matter which has to be or may be prescribed by regulations.
- (3) Notwithstanding anything contained in sub-section (1), the first regulations under this Act shall be made by the Central Government and any regulations so made may be altered or rescinded by the Council in exercise of its powers under sub-section (1).

Rules and regulations to be laid before Parliament. 28. Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

Power to remove difficulties.

29. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of two years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Repeal and saving.

30. (1) The Indian Council of World Affairs Ordinance, 2000 is hereby repealed.

Ord 3 of 2000.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

STATEMENT OF OBJECTS AND REASONS

The Indian Council of World Affairs was established in Delhi, in 1943, under the Societies Registration Act of 1860. Amongst others, the objects of the Council are promoting study of Indian and international affairs. Within a few years of its establishment, the Indian Council of World Affairs became a world renowned institution providing outstanding facilities for study and research. Also, the Sapru House Library became one of the India's premier libraries, and the Indian Council of World Affairs became a distinguished forum for Indian and foreign dignitaries to speak on foreign policy issues.

- 2. It was from 1981 that the Society's functioning witnessed marked deterioration and in consequence the institution started losing its standing. There then also occurred many violations of the terms of the lease of land given by the Government to Indian Council of World Affairs. Complaints were also received by the Government about deterioration in the maintenance of the Council Library. Since then, there have been consistent demands for intervention of the Government.
- 3. In order to check further deterioration of this important institution and to provide for its revitalisation, the Indian Council of World Affairs Ordinance, 2000 (Ord. 3 of 2000) was promulgated by the President on the September 1, 2000. The Ordinance, *inter alia*, provides for a declaration of the Indian Council of World Affairs as an institution of national importance, its incorporation, a broad based composition and provision for financial assistance to the Council.
- 4. The Bill seeks to replace the above mentioned Ordinance, as it is considered necessary that the new status of the Indian Council of World Affairs, as an Institution of national importance, declared by the Indian Council of World Affairs Ordinance, 2000 (Ord. 3 of 2000), should be sustained in public interest.

New Delhi; JASWANT SINGH

The 3rd November, 2000.

FINANCIAL MEMORANDUM

Clause 17 of the Bill enables the Central Government to pay, after due appropriation to the Council in each financial year such sums as may be considered necessary for the Council to fulfil its approved programmes and for the due discharge of its functions.

- 2. It is estimated that an expenditure of rupees fifty lakhs may be necessary as non-recurring expenditure at the time of the incorporation of the Council. The recurring expenditure by way of payment to the Council for the financial year 2000-2001 is estimated at rupees thirty lakhs. It is not possible at this stage to estimate the recurring expenditure for the subsequent financial years. However, both recurring and non-recurring expenditure will be met out of the budgetary allocations of the Ministry of External Affairs.
- 3. The provisions of the Bill do not involve any other expenditure of recurring or non-recurring nature.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 26 of the Bill empowers the Central Government to make rules by notification in the Official Gazette to carry out the provisions of the Act. The matters in respect of which such rules may be made are specified therein. These matters relate, inter alia, to the manner of filling vacancies among members of the Council, the powers and functions to be exercised and discharged by the President and the Vice-President, the control and restrictions in relation to the constitution of standing and ad hoc committees, etc.

- 2. Clause 27 of the Bill empowers the Council to make, with the previous approval of the Central Government regulations consistent with the provision of the Act and the rules made thereunder. The matters in respect of which such regulations may be made are specified therein. These matters relate, *inter alia*, to the procedure for conducting, business at meetings other than first meeting of the Council, the manner of constituting the Governing Body and standing and *ad hoc* committees, powers and functions of the Governing Body and the Chairperson thereof, etc.
- 3. The matters in respect of which rules and regulations may be made are matters of administrative details and procedure and, as such, the delegation of legislative power is of a normal character.

Memorandum Indicating the Modifications Contained in the Bill to replace the Indian Council of World Affairs Ordinance, 2000

Changes of drafting nature have been made in clauses 25, 26 and 27 of the Bill so as to make the intention clear.

BILL No. 177 OF 2000

A Bill to give statutory status to the existing Central Road Fund governed by the Resolution of Parliament passed in 1988, for development and maintenance of national highways and improvement of safety at railway crossings, and for these purposes to levy and collect by way of cess, a duty of excise and duty of customs on motor spirit commonly known as petrol, high speed diesel oil and for other matters connected therewith.

BE it enacted by Parliament in the Fifty-first Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

- 1. (1) This Act may be called the Central Road Fund Act, 2000.
 - (2) It extends to the whole of India.
- (3) Save as otherwise provided in this Act, it shall be deemed to have come into force on the 1st day of November, 2000.

Short title, extent and commencement.

Definitions.

- 2. In this Act, unless the context otherwise requires,—
- (a) "appointed day" means the date on which the Fund is established under sub-section (1) of section 6;
- (b) "cess" means a duty in the nature of duty of excise and customs, imposed and collected on motor spirit commonly known as petrol and high speed diesel oil for the purposes of this Act;
- (c) "Fund" means the Central Road Fund established under sub-section (1) of section 6;
- (d) "national highways" means the highways specified in the Schedule to the National Highways Act, 1956 or any other highway declared as national highway under sub-section (2) of section 2 of the said Act;

48 of 1956

(e) "National Highways Authority of India" means an authority constituted under sub-section (1) of section 3 of the National Highways Authority of India Act, 1988;

68 of 1988.

(f) "prescribed" means prescribed by rules made under this Act.

CHAPTER II

CENTRAL ROAD FUND

Levy and collection of cess.

- 3. (1) With effect from such date as the Central Government may, by notification in the Official Gazette, specify, there shall be levied and collected, as a cess, a duty of excise and customs for the purposes of this Act, on every item specified in column (2) of the Schedule, which is produced in or imported into India and—
 - (a) removed from a refinery or a factory or an outlet; or
 - (b) transferred by the person, by whom such item is produced or imported, to another person,

at such rates not exceeding the rate set forth in the corresponding entry in column (3) of the Schedule, as the Central Government may, by notification in the Official Gazette, specify:

Provided that until the Central Government specifies by such notification the rate of the cess in respect of petrol and high speed diesel oil (being items specified in the Schedule), the cess on petrol and high speed diesel oil under this sub-section shall be levied and collected at the rate of rupee one per litre:

Provided further that the additional duty of customs and the additional duty of excise on petrol levied under sub-section (1) of section 103 and sub-section (1) of section 111, as the case may be, of the Finance (No. 2) Act, 1998 and the additional duty of customs and the additional duty of excise on high speed diesel oil levied under sub-section (1) of section 116 and sub-section (1) of section 133, as the case may be, of the Finance Act, 1999 shall be deemed to be a cess for the purposes of this Act from the date of its levy and the proceeds thereof shall be credited to the Fund.

21 of 1998.

27 of 1999.

- (2) Every cess leviable under sub-section (1) on any item shall be payable by the person by whom such item is produced, and in the case of imports, the cess shall be imposed and collected on items so imported and specified in the Schedule.
- (3) The cess leviable under sub-section (1) on the items specified in the Schedule shall be in addition to any cess or duty leviable on those items under any other law for the time being in force.
- (4) The provisions of the Central Excise Act, 1944 and the rules made thereunder and the provisions of the Customs Act, 1962 and the rules made thereunder, as the case may be, including those relating to refunds and exemptions from duties shall, as far as may be, apply in relation to the levy and collection of cess leviable under this section and for this purpose, the provisions of the Central Excise Act, 1944 and of the Customs Act, 1962, as the case may be, shall have effect as if the aforesaid Acts provided for the levy of cess on all items specified in the Schedule.

1 of 1944. 52 of 1962. 4. The proceeds of the cess levied under section 3 shall first be credited to the Consolidated Fund of India, and the Central Government may, if Parliament by appropriation made by law in this behalf so provides, credit such proceeds to the Fund from time to time, after deducting the expenses of collection, for being utilised exclusively for the purposes of this Act.

Crediting of cess to Consolidated Fund of India

5. The Central Government may, after due appropriation made by Parliament by law in this behalf, credit by way of grants or loans such sums of money as the Central Government may consider necessary in the Fund.

Grants and loans by the Central Government.

6. (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be established for the purposes of this Act, a Fund to be called as the "Central Road Fund".

Establishment of Central Road Fund

- (2) The Fund shall be under the control of the Central Government and there shall be credited thereto—
 - (a) any sums of money paid under section 4 or section 5;
 - (b) unspent part of the cess, being already levied for the purposes of the development and maintenance of national highways;
 - (c) the sums, if any, real sed by the Central Government in carrying out its functions or in the administration of this Act;
 - (d) any fund provided by the Central Government for the development and maintenance of State roads.
 - (3) The balance to the credit of the Fund shall not lapse at the end of the financial year.
 - 7. The Fund shall be utilised for the-

Utilisation of the Fund.

- (i) development and maintenance of national highways;
- (ii) development of the rural roads;
- (iii) development and maintenance of other State roads including roads of inter-State and economic importance;
- (iv) construction of roads either under or over the railways by means of a bridge and erection of safety works at unmanned rail-road crossings; and
 - (v) disbursement in respect of such projects as may be prescribed.
- 8. (1) The concerned departments of the Central Government shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including the profit and loss account and the balance-sheet in respect of allocations of their shares of fund in such form, as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

Accounts and audit.

(2) The accounts of the Fund shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him.

CHAPTER III

MANAGEMENT OF CENTRAL ROAD FUND

- 9. (1) The Central Government shall have the power to administer the Fund and shall—
 - (a) take such decisions regarding investment on projects of national highways and expressways as it considers necessary;
 - (b) take such measures as may be necessary to raise funds for the development and maintenance of the national highways;

Powers of Central Government to administer the Fund.

- (c) allocate and disburse such sums as are considered necessary, to the concerned departments responsible for the development and maintenance of—
 - (i) national highways;
 - (ii) rural roads;
 - (iii) State roads; and
 - (iv) construction of roads either under or over the railways by means of a bridge and erect suitable safety works at unmanned rail-road level crossings.

Functions of the Central Government.

- 10. The Central Government shall be responsible for the —
- (i) administration and management of the share of Fund allocated to the development and maintenance of the national highways;
- (ii) co-ordination and complete and timely utilisation of all sums allocated out of the Fund:
- (iii) sanction of schemes for State roads of inter-State and economic importance in such manner as may be prescribed;
- (iv) formulation of criteria on the basis of which the specific projects of State roads of inter-State and economic importance are to be approved and financed out of share of State roads;
- (v) release of funds to the States for specific projects and monitoring of such projects and expenditure incurred thereon;
- (vi) formulation of the criteria for allocation of the funds for such projects which are required to be implemented by the National Highways Authority of India and also for other projects for the development and maintenance of the national highways;
- (vii) allocation of share of funds to each State and Union territory specified in the First Schedule to the Constitution;

(viii) allocation of -

- (a) fifty per cent. of the cess on high speed diesel oil for the development of rural roads in such manner as may be prescribed; and
- (b) the balance amount of fifty per cent. of cess on high speed diesel oil and the entire cess collected on petrol as follows:—
 - (i) an amount equal to fifty-seven and one half per cent. of such sum for the development and maintenance of national highways;
 - (ii) an amount equal to twelve and one half per cent. for the construction of road either under or over the railways by means of a bridge and erection of safety works at unmanned rail-road crossings; and
 - (iii) the balance thirty per cent. on development and maintenance of roads other than national highways and out of this amount, ten per cent. that is three per cent. of the total share of State roads shall be kept as reserve by the Central Government for allocation to States for implementation of State road schemes of inter-State and economic importance to be approved by the Central Government in terms of clauses (iii) and (iv) of this section.

Administration of States' share of the Fund.

- 11. (1) The share of the Fund to be spent on development and maintenance of roads, other than national highways, as specified under sub-clause (b) of clause (viii) of section 10, after deducting the reserve kept by the Central Government for State road schemes of inter-State and economic importance, shall be allocated to various States and Union territories in such manner as may be decided by the Central Government.
- (2) The portion of the Fund allocated for expenditure in the various States and Union territories shall be retained by the Central Government until it is actually required for expenditure.

- (3) If in the opinion of the Central Government, the Government of any State or the administration of any Union territory has at any time—
 - (a) failed to take such steps as the Central Government may recommend for the regulation and control of motor vehicles within the State or the Union territory; or
 - (b) delayed without reasonable cause the application of any portion of the Fund allocated or re-allocated, as the case may be, for expenditure within the State or Union territory,

the Central Government may resume the whole or part of any sums which it may have at that time held for expenditure in that State or the Union territory.

- (4) All sums resumed by the Central Government from the account of any State Government or Union territory administration as aforesaid shall be re-allocated between the credit accounts of the defaulting and other State Governments and Union territory administrations in the ratio of the main allocation for the financial year preceding the year in which the re-allocation is made.
- (5) The balance to the credit of the Fund in respect of any allocation shall not lapse at the end of the financial year.
- 12. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

Power to make rules.

- (2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely:—
 - (a) specify the projects in respect of which the funds may be disbursed under section 7:
 - (b) the manner in which the accounts shall be maintained and the annual statement of accounts may be prepared including the profit and loss account and the balance-sheet under sub-section (1) of section 8;
 - (c) the manner in which the schemes for development and maintenance of State roads of inter-State and economic importance are to be formulated and sanctioned under section 10;
 - (d) any other matter for which rule is to be made, or may be, prescribed.
- 13. Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period or thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Rules made under this Act to be laid before Parliament

14. With effect from the appointed day the Central Road Fund governed by the Parliamentary Resolution dated the 13th May, 1988 (hereafter referred to in this section as the existing Fund) shall be deemed to be the Fund established under this Act and,—

Provisions relating to existing Central Road Fund.

- (a) all schemes relating to development and maintenance of national highways and State roads sanctioned under the existing Fund in so far as such schemes are relatable to the schemes under this Act, shall be deemed to be the schemes sanctioned under this Act:
- (b) all funds accrued under the existing Fund including assets and liabilities shall be transferred to the Fund established under this Act.
- 15. (1) The Central Road Fund Ordinance, 2000 is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

Repeal and saving.

Ord. 5 of 2000.

THE SCHEDULE

(See section 3)

Sl. No	Name of item	Rate of duty
(1)	(2)	. (3)
1.	Motor spirit commonly known as petrol	Rupee one per litre
2.	High speed diesel oil	Rupee one per litre

STATEMENT OF OBJECTS AND REASONS

The road network in the country consisting of national highways, State roads and rural roads has expanded considerably since independence and now carries bulk of transport. However, it could not be developed and maintained so far to the required standards to meet the requirements and demands of growing national economy due to paucity of funds. Accordingly, as a long term strategy, a need for giving statutory status to the existing Central Road Fund was felt so as to make available a sustained financial arrangement for the development and maintenance of the national highways as well as development and maintenance of State roads, rural roads and construction of overbridges, underbridges and other suitable safety works at unmanned rail-road level crossings.

- 2. With a view to provide funds for the development of national highways and other roads, the Central Road Fund Ordinance, 2000 was promulgated by the President on the 1st November, 2000. The salient features of the said Ordinance, *inter alia*, are as follows:—
 - (a) to give statutory status to the Central Road Fund which was constituted by the Resolution of Parliament in 1988;
 - (b) to enable the Central Government to levy cess in nature of excise duty and customs duty on the production and import of petrol and high speed diesel oil at the rate of rupee one per litre;
 - (c) to transfer in the Fund the cess levied in the nature of additional duty of excise and additional duty of customs on petrol by the Finance Act, 1998;
 - (d) to transfer in the Fund the cess levied in the nature of additional duty of excise and customs on high speed diesel oil by the Finance Act, 1999;
 - (e) to enable the Central Government to formulate criteria for the allocation of funds for the development and maintenance of national highways;
 - (f) to enable the Central Government to sanction schemes for State roads of inter-State and economic importance and to formulate criteria on the basis of which the specific projects of State roads of inter-State and economic importance are to be approved; and
 - (g) to allocate funds to the States for specific projects and monitoring of such projects including the expenditure incurred thereon.
- 3. As Parliament was not in session and it was considered necessary that a dedicated non-lapsable Fund for the development and maintenance of national highways and other State roads and rural roads may be created urgently, the Central Road Fund Ordinance, 2000 was promulgated by the President on the 1st November, 2000.
 - 4. The Bill seeks to replace the aforesaid Ordinance.

New Delhi; The 19th November, 2000.

Major General (Retd.) B. C. KHANDURI.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE CONSTITUTION OF INDIA

[Copy of letter No. NH-11011/2/2000-P&M dated the 23rd November, 2000 from Major General Bhuwan Chandra Khanduri, AVSM(Retd.), Minister of State for Road Transport and Highways to the Secretary-General, Lok Sabha.]

The President, having been informed of the subject matter of the Central Road Fund Bill, 2000, recommends its introduction under article 117(1) of the Constitution of India in Lok Sabha.

FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for the levy, by way of a cess, duties of excise and customs on petrol and high speed diesel oil.

- 2. Clause 7 of the Bill provides that the Fund shall be utilised for the purposes specified in that clause. The estimated total accruals from cess on petrol and diesel is expected to be around Rs. 6000 crore in the current year 2000-2001.
- 3. Clause 10 of the Bill empowers the Central Government to allocate 50 per cent of the cess on high speed diesel oil to the department concerned for the development of rural roads. Out of the balance amount (i.e. 50 per cent of cess on high speed diesel and entire cess on petrol), 57.5 per cent would be utilised for the development and maintenance of national highways. 12.5 per cent shall be allocated to Ministry of Railways for road over bridges, underbridges and other safety works on unmanned railway crossings and the balance of 30 per cent shall be allocated for the development and maintenance of State roads including State road schemes of inter-State and economic importance.
- 4. The administration of the Central Road Fund will also involve some expenditure. It is not possible to indicate the quantum of the expenditure involved at this stage. However, the expenditure that will be incurred for these purposes would be met out of the budgetary provisions of each year of the Ministry of Road Transport and Highways as approved by Parliament.
- 5. The provisions of the Bill, therefore, do not involve any additional expenditure of a recurring or non-recurring nature.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 7 of the Bill authorises the Central Government to specify the projects in respect of which the funds may be disbursed.

- 2. Clause 8 of the Bill empowers the Central Government to make rules so as to provide the manner in which the accounts shall be maintained and the annual statement of accounts shall be prepared including the profit and loss account and the balance-sheet thereof.
- 3. Sub-clause (iii) of clause 10 authorises the Central Government to make rules for the formulation and sanctioning of the schemes for development and maintenance of State roads of inter-State and economic importance.
- 4. The matters with respect to which the rules may be made under the aforementioned provisions are matters of procedure or detail. The delegation of legislative power is, therefore, of a normal character.

BILL No. 172 of 2000

A Bill further to amend the Constitution of India.

BE it enacted by Parliament in the Fifty-first Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Ninety-first Amendment) Act, 2000.

Short title.

2. In article 55 of the Constitution, in the proviso to the *Explanation*, for the figures "2000", the figures "2026" shall be substituted.

Amendment of article 55.

3. In article 81 of the Constitution, in the proviso to clause (3),—

Amendment cf article 81.

- (i) for the figures "2000", the figures "2026" shall be substituted;
- (ii) for the words and figures "be construed as a reference to the 1971 census.", the following shall be substituted, namely:—

"be construed,---

- (i) for the purposes of sub-clause (a) of clause (2) and the proviso to that clause, as a reference to the 1971 census; and
- (ii) for the purposes of sub-clause (b) of clause (2) as a reference to the 1991 census.".

Amendment of article 82.

- 4. In article 82 of the Constitution, in the third proviso,
 - (i) for the figures "2000", the figures "2026" shall be substituted;
- (ii) for the words "readjust the allocation of seats in the House of the People to the States and the division of each State into territorial constituencies under this article", the following shall be substituted, namely:—

"readjust--

- (i) the allocation of seats in the House of the People to the States as readjusted on the basis of the 1971 census: and
- (ii) the division of each State into territorial constituencies as may be readjusted on the basis of the 1991 census,

under this article.".

Amendment of article 170.

- 5. In article 170 of the Constitution,—
- (a) in clause (2), in the proviso to the *Explanation*, for the figures "2000" and "1971", the figures "2026" and "1991" shall respectively be substituted;
 - (b) in the third proviso to clause (3),—
 - (i) for the figures "2000", the figures "2026" shall be substituted;
 - (ii) for the words "readjust the total number of seats in the Legislative Assembly of each State and the division of such State into territorial constituencies under this clause.", the following shall be substituted, namely:—

"readjust-

- (i) the total number of seats in the Legislative Assembly of each State as readjusted on the basis of the 1971 census; and
- (ii) the division of such State into territorial constituencies as may be readjusted on the basis of the 1991 census,

under this clause.".

Amendment of article 330.

6. In article 330 of the Constitution, in the proviso to the *Explanation*, for the figures "2000" and "1971", the figures "2026" and "1991" shall respectively be substituted.

Amendment of article 332.

- 7. In article 332 of the Constitution,—
 - (a) in clause (3A), for the figures "2000", the figures "2026" shall be substituted;
 - (b) in clause (3B), for the figures "2000"; the figures "2026" shall be substituted.

STATEMENT OF OBJECTS AND REASONS

Provisos to articles 82 and 170 (3) of the Constitution provide that no fresh readjustment of constituencies can be undertaken until the figures of the first census taken after the year 2000 are published. These provisos were inserted by the Constitution (Forty-second Amendment) Act, 1976 as a measure to boost family planning norms. Since the first census to be taken after the year 2000 has already begun, the constitutional embargo on undertaking fresh delimitation will lapse as soon as the figures of this census are published.

- 2. There have been consistent demands, both for and against undertaking the exercise of fresh delimitation. Keeping in view the progress of family planning programmes in different parts of the country, the Government, as part of the National Population Policy strategy, recently decided to extend the current freeze on undertaking fresh delimitation up to the year 2026 as a motivational measure to enable the State Governments to pursue the agenda for population stabilisation.
- 3. Government has also decided to undertake readjustment and rationalisation of territorial constituencies in the States, without altering the number of seats allotted to each State in the House of the People and Legislative Assemblies c' the States, including the Scheduled Castes and the Scheduled Tribes constituencies, on the basis of the population ascertained at the census for the year 1991, so as to remove the imbalance caused due to uneven growth of population/electorate in different constituencies.
- 4. It is also proposed to refix the number of seats reserved for the Scheduled Castes and the Scheduled Tribes in the House of the People and the Legislative Assemblies of the States on the basis of the population ascertained at the census for the year 1991.
 - 5. The Bill seeks to achieve the aforesaid objects.

New Delhi;	ARUN JAITLEY.
The 8th November, 2000.	
	G C MALHOTRA

Secretary-General.